VIA ELECTRONIC SUBMISSION

Health and Medicine Policy Research Group
29 E. Madison Street, Suite 602
Chicago, Illinois 60602-4404

Attention: 1115 Waiver

Dear Sir/Madam:

LAF appreciates the opportunity to provide input on the important issue of the proposed 1115 Waiver for Illinois Medicaid. LAF is the largest provider of free civil legal services in the Chicago area, serving over 15,000 individuals annually. LAF represents many low-income individuals and families seeking to obtain or keep critical benefits from Illinois' medical assistance programs as well as the uninsured. We are offering the following suggestions based on our experiences with the needs of our client base.

Our comments are divided into sections as follows:

- General Comments
- Pathway #1 – *Delivery Systems Transformation*
- Pathway #3 - *Workforce*
- Pathway #4 – *Home and Community-Based Infrastructure, Choice, and Coordination*

General Comments:

We understand that many specific details of the implementation of the 1115 Waiver will be negotiated with CMS after the initial submission of this waiver. However, we are concerned that some of the general terminology used in the waiver draft might lead to services being overlooked in the implementation phase. Therefore, we strongly urge the State to include a statement in the waiver that stakeholder's will be involved in each aspect of negotiation and implementation of the waiver.

Given the recent issuance of Federal Home and Community Based Services Regulations (Federal Register January 16, 2004, Vol. 79, No. 11 at 42 CFR 430, 431, et al.), we also encourage the State to ensure that the waiver proposal is consistent with the Regulation's definitions of HCBS. Consistency will help Illinois ensure that we maximize opportunities to provide services for the entire Medicaid population, including those who have behavioral health needs but do not qualify for institutional care under 1915. By so doing, we believe the State can prevent the expensive acute and long term care these populations often require and can likewise maximize federal funding to meet their needs.

Pathway #1 – *Delivery Systems Transformation*

While LAF supports the to health homes for people living with SMI or SMI and a co-occurring chronic condition, we also believe that people living with HIV should be included in the populations covered by the health home model. All of these populations need comprehensive treatment and are

especially vulnerable to the lack of coordination that can happen with physicians working independently, outside of a health home.

We would also recommend including a statement on pages 19-20 regarding compliance with the Certificate of Need process of the Illinois Health Facilities Planning Board if any health facilities decide to downsize or close. Further, we would appreciate an explicit statement from the State regarding how it plans to handle the transfer of residents from any facilities that close or downsize so as to minimize trauma for residents.

Pathway #3 – *Workforce*

We applaud the State's efforts to expand and retain the healthcare workforce that will be imperative to sustain the growing Medicaid population. We encourage the State to ensure that the existing, experienced networks of Medicaid providers are included in managed care networks. In addition, we hope that the State insists that managed care entities contract with the vibrant network of case managers, social workers, community health workers, counselors, and other community based experts that know this population intimately.

Pathway #4 – *LTSS Infrastructure, Choice, and Coordination*

LAF applauds the acknowledgment of social and environmental determinants of health in the draft waiver and the effort to address many of these concerns, including housing. However, we urge the State to consider using the federal Targeted Case Management authority to better serve those

living with chronic conditions. Based on our experiences working with low-income clients, case management services help to ensure that individuals attend medical appointments, schedule follow-up care, and generally increase the efficacy and lower the cost of treatment.

One key to successfully implementing various pathways is a carefully developed universal assessment tool (UAT) designed with extensive stakeholder input and best practices from other states that have developed their own tools. While we support the idea that recipients will have more flexibility under the proposed 1115 waiver to obtain the services they need without the current cumbersome and administratively complex waiver system, both the design and the implementation of the assessment tool are critical to creating a successful system. We urge the State to be transparent about the development of this tool and open to stakeholder feedback. We hope that all parties who are interested in the 1115 waiver process will be similarly involved in the development of the UAT.

We urge the State to include a statement allowing flexibility to incorporate best practices in the establishment of Coordinated Care Entities and Accountable Care Entities. For example, one proposed CCE for Medically Complex Children includes medical-legal collaboration. These models could be similarly beneficial under the 1115 waiver for the broader Medicaid population.

We support the State's efforts to improve health outcomes for Medicaid recipients through the implementation of coordinated care. However, we are concerned that the focus on budget neutrality and the

reliance on a capitated risk-based system may create an underfunded structure. Community based CCEs and ACEs will need time in the community to become viable for the large population of Medicaid recipients they will ultimately serve. To mitigate the risk of overwhelming a new system, we suggest that the State include a specific analysis of the current managed care entities in Illinois during their negotiations with CMS.

Section 1902(a)(34), 42 CFR 435.914

We are deeply concerned that a waiver of retroactive eligibility will be tremendously detrimental to Medicaid recipients who depend on this coverage to alleviate medical debt that they would never be able to pay and that has significant adverse effects on their credit, access to providers, and well-being. We urge the State to further explain the rationale behind this request, especially how this might help to "mitigate institutional bias" and to explore other paths to accomplish these goals.

We appreciate your efforts to collect stakeholder input and the creative thinking you have employed to draft this White Paper. We look forward to reviewing the 1115 Waiver Proposal and providing comments on that document as well. Thank you for your consideration of these comments. If you have any questions, please feel free to contact me at 312-347-8388.

Sincerely,

Caroline Chapman
Director, Public Benefits Practice Group
LAF
cchapman@lafchicago.org